

THIS AMENDMENT:		
_____ Passed _____	Passed as amended by _____	
_____ Failed _____	_____ Not Offered _____	_____ Withdrawn _____



0000091874

ORIGINAL

PIERCE PROPOSED AMENDMENT # 1

DATE PREPARED: December 15, 2008

COMPANY: Unisource Electric, Inc.

DOCKET NOs: E-04204A-07-0593

OPEN MEETING DATES: December 16, 17, 18 and 19, 2008

AGENDA ITEM: U-17

RECEIVED
 2008 DEC 15 P 12:29
 AZ CORP COMMISSION
 DOCKET CONTROL

Page 11, Line 6

INSERT the following:

“Waiver of A.A.C. R14-2-1805(D)

Arizona Corporation Commission

DOCKETED

DEC 15 2008

DOCKETED BY	<i>MA</i>
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The Commission agrees with the Solar Alliance¹ that there should be no hard 50/50-split between residential and non-residential DE facilities. We will therefore waive A.A.C. R14-2-1805(D) for UNS's 2009 Rest Plan pursuant to A.A.C. R14-2-1816(A) and instead require that a minimum of at least thirty percent of UNS's DE requirement be met through residential facilities and a minimum of thirty percent be met through non-residential facilities. This waiver will not reduce the total amount of DE that UNS will be required to obtain during 2009, but it will greatly increase UNS's flexibility to satisfy those requirements.

We note that a thirty percent floor for residential and non-residential DE facilities is very similar to UNS's Best Value plan, which established a twenty-five percent floor for residential and non-residential DE facilities. We, therefore, expect that reduction of the hard 50/50-split to a thirty percent floor will reduce UNS's costs in complying with our REST Rules by more than \$1million, which will help place this Commission in a position to acquire more renewable energy in future years than is presently contemplated under our REST Rules.”

¹ In its December 11, 2008 comments to APS's 2009 REST Implementation plan, the Solar Alliance points out that “it is easy to imagine a situation where in one year 70% of the total [DE] requirement is met by non-residential installations on a big-box store chain and in a subsequent year the easiest way to meet the [DE] carve out is to do hundreds of homes in a new housing development.” Because of this natural fluctuation in the industry, the Solar Alliance argues that Commission should allow non-residential and residential systems to meet as much as 70% of the DE requirement in any one year.

Page 12, Line 3.5

INSERT the following:

“IT IS FURTHER ORDERED that A.A.C. R14-2-1805(D) is waived for UNS’s 2009 REST Plan and replaced with a requirement that at least thirty percent of UNS’s annual DE requirement must be met through residential facilities and a minimum of thirty percent of UNS’s annual DE requirement must be met through non-residential facilities. This waiver will not reduce the total amount of the DE requirement that UNS must obtain during 2009.”

Conforming changes.